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October 22, 2004

*By Messenger*

David M. Konschnick  
Director, Office of Proceedings  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, DC 20423-0001

**ENTERED  
Office of Proceedings****OCT 22 2004****Part of  
Public Record**

RE: STB Docket No. 42071, *Otter Tail Power Company v. The Burlington Northern and Santa Fe Railway Company*

Dear Mr. Konschnick:

At the technical conference on October 14, 2004, Board staff requested that Otter Tail and BNSF respond, in writing, to two questions. The first question concerns the earthwork calculations by each party on the Dutch to Decker branch. The second question concerns the cost per linear foot for structural steel pipe. The parties respond to both requests through this joint submission, which BNSF has consented for Otter Tail to submit on its behalf.

*Dutch to Decker Earthwork Calculations*

At the technical conference, Board staff distributed a chart comparing the subgrade elevations used by each party for the Dutch to Decker branch. They requested that the parties try to reach agreement regarding the beginning and ending elevation points for this branch. For the beginning of the branch, Otter Tail used an elevation of 3740 feet, while BNSF used an elevation of 3724.8 feet. For the end of the branch, Otter Tail used an elevation of 3450 feet while BNSF used an elevation of 3465. The parties have reviewed the relevant workpapers and have concluded that the differences stem from the differing data and methodologies employed by the parties. Since neither party agrees that the approach followed by the other party was correct, each party continues to adhere to its position as set forth in the evidence. See BNSF Reply Nar. at III.F-68 to III.F-71; Otter Tail Rebuttal Nar. at III-F-47 to III-F-50. For the Board's convenience, a brief explanation of the reason for the differences is set forth below.

In calculating earthworks for the relevant segment, each party used a different methodology. Otter Tail relied on USGS maps for the existing ground and the proposed subgrade profile connections to the mainline and mine loop, and it used the CARDS program to determine the proposed subgrade profile in between the mainline and mine loop. BNSF relied upon USGS maps for the existing ground and data contained in BNSF track charts produced in discovery for the proposed subgrade profile for the entire route, while using Microstation/GeoPak to calculate earthworks quantities.

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The parties identified different elevations for the starting point for the branch line, *i.e.*, the location where the east leg of the wye track leaves the main line at Dutch. Otter Tail determined the elevation based on the contour lines on the USGS map. According to Otter Tail, the connection is shown occurring on a contour line with an elevation of 3740 feet on the copy of the USGS map included as Otter Tail opening workpaper 4399. As the USGS map shows that the connection of the east leg of the wye occurs on the contour line, Otter Tail determined that the subgrade was at ground level. BNSF, on the other hand, identified the starting elevation of the east leg as 3724.8 feet based on information in its track charts. Although the Dutch to Decker branch begins on the east leg of the wye, BNSF actually calculated earthworks for the west leg, but used the profile for the east leg in the calculation, including the starting elevation, because BNSF concluded that the east leg profile contained more detailed data.

At the mine-end of the Dutch to Decker line, the parties also employed different approaches. Otter Tail performed the CARDS analysis around the loop track until the point where the loop track connected back to the branch line. As this point was located between the 3440' and 3460' contours lines of on the USGS map, Otter Tail interpolated an elevation of 3450 feet for this end point. The USGS map showing this section of the line was included as OTP opening workpaper 4404. BNSF used data from BNSF track charts which show a flat grade with an elevation of 3465.

#### *Structural Steel Pipe Costs*

At the October 14 technical conference, the Board also requested an explanation from the parties concerning differences in costs per linear foot for structural steel pipe. For the Board's convenience, the parties have elected to include that discussion here rather than submit separate letters.

Board staff correctly noted at the technical conference that a portion of the difference between the parties' cost per linear foot is because BNSF's calculations include additional backfill and excavation costs. The other difference stems from disagreement over the weight per linear foot for the pipe. BNSF used a weight per linear foot of 93.93 pounds while Otter Tail used a weight of 147 pounds. Because the RS Means cost used by each party is per pound of structural steel

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pipe, the difference in weight per linear foot translates into a significant difference in cost per linear foot.

Sincerely,



Jeffrey O. Moreno

cc: Samuel M. Sipe  
Anthony J. LaRocca

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